

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE UNION LIGHT, HEAT AND POWER)	
COMPANY'S FILING OF A PROPOSED CONTRACT)	CASE NO. 90-173
WITH CONTINENTAL PET TECHNOLOGIES, INC.)	

O R D E R

On May 31, 1990, The Union Light, Heat and Power Company ("ULH&P") filed a proposed contract for the supply of electrical energy to Continental PET Technologies, Inc. ("Continental").

The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed contract.

IT IS THEREFORE ORDERED that:

1. The proposed contract with Continental be and it hereby is suspended for five months from June 30, 1990 to November 30, 1990.

2. Nothing in this Order shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

3. ULH&P shall file within 20 days of the date of this Order the original and 12 copies of its responses to the following information requests:

A. What is the relationship between Continental PET Technologies, Inc. ("Continental") and Continental Can Company, Inc.?

B. In an Order dated June 20, 1988 in Case No. 10134,¹ the Commission approved a service agreement between The Union Light, Heat and Power Company ("ULH&P") and Continental Can Company, Inc. that included an on-peak demand charge discount that declined from 50 percent during the first year of the agreement to 10 percent during the fifth and final year of the contract. Why is a similar demand charge discount not being proposed for Continental?

C. Explain how a complete waiver of demand charges as proposed for Continental is in the best interest of ULH&P's remaining ratepayers.

D. Provide monthly on-peak and off-peak billing determinants and revenue for Continental since June 1987.

E. Provide projected monthly on-peak and off-peak KW demand and KWH energy sales volumes and revenues for Continental for the 60 billing period term of the proposed demand charge waiver.

F. Provide projected total monthly expenses which will be incurred to serve Continental for the 60 billing period term of the proposed demand charge waiver.

G. Explain what will happen to the service agreement between ULH&P and Continental at the end of the 60 billing period term of the proposed demand charge waiver.

¹ Case No. 10134, An Investigation of The Union Light, Heat and Power Company's Service Agreement With the Continental Can Company, Inc.

H. How many new jobs will result from Continental's planned expansion?

Done at Frankfort, Kentucky, this 22nd day of June, 1990.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director